

## Message Text

CONFIDENTIAL

PAGE 01 KUALA 00347 160444Z  
ACTION EA-12

INFO OCT-01 ISO-00 L-03 SEC-01 /017 W  
-----019650 160447Z /73  
R 160237Z JAN 78  
FM AMEMBASSY KUALA LUMPUR  
TO SECSTATE WASHDC 1762

C O N F I D E N T I A L KUALA LUMPUR 0347

E.O. 11652: XGDS-4  
TAGS: ETRD, MY  
SUBJECT: SEC REQUEST FOR INFORMATION

REF: 77 STATE 305178

1. A CONSIDERABLE AMOUNT OF BACKGROUND INFORMATION ON ARMOUR AND ENGINEERING IS CONTAINED IN THE EMBASSY'S WORLD TRADER'S DATA REPORT (WTDR) SENT INTO THE DEPARTMENT OF COMMERCE IN 77 KUALA LUMPUR 433. WE SUGGEST THAT THE SEC MAY WISH TO REVIEW THIS REPORT IF IT HAS NOT ALREADY DONE SO.

2. ENCIK YAP CHIN KWEE (ENCIK IS A MALAY WORD MEANING MISTER; YAP IS HIS FAMILY NAME) IS THE SENIOR EXECUTIVE DIRECTOR OF ARMOUR AND ENGINEERING. BOTH ARMOUR AND ENGINEERING AND YAP HAVE UNSAVORY REPUTATIONS IN MALAYSIA. YAP WAS POLITICAL SECRETARY TO FORMER PRIME MINISTER TUNKU ABDUL RAHMAN AND LOST HIS POSITION OF INFLUENCE WHEN HIS BOSS WAS FORCED OUT OF OFFICE IN 1970. YAP'S REPUTATION HAS BEEN BAD FOR A CONSIDERABLE PERIOD OF TIME. SEVERAL MALAYSIANS HAVE MAINTAINED THAT HE USED HIS OFFICIAL POSITION TO CORRUPTLY ENRICH HIMSELF BY GRANTING FAVORS. AFTER LOSING HIS POSITION, YAP ESTABLISHED ARMOUR AND ENGINEERING. RUMOURS AROUND THAT ARMOUR AND ENGINEERING AND YAP ARE ENGAGED IN PAYOFFS TO GOM OFFICIALS, PARTICULARLY IN THE MINISTRY OF DEFENSE, IN ATTEMPTS TO OBTAIN SALES CONTRACTS. WE HAVE NO EVIDENCE TO CONFIRM OR DENY THESE ALLEGATIONS. THEY ARE, HOWEVER, PREVALENT  
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ENOUGH FOR US TO CAUTION U.S. FIRMS TO EXERCISE CAUTION IN DEALING WITH ARMOUR AND ENGINEERING.

3. WE HAVE NO INFORMATION THE EIGER TRUST.  
MILLER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** REPORTS, TRADE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978KUALA00347  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** X4  
**Errors:** N/A  
**Expiration:**  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014